Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.



U.S. Department of Agriculture Office of the Secretary

Advance for Release at 8:15 p.m. EST Saturday, Sept. 13, 1980

214

Reserve

2.521

DANGEROUS CERTAINTIES

Whenever I'm asked to speak on a college campus, I'm flattered--and I'm a little awed. Especially when the college is as prestigious as this.

You see, I don't have a college degree. I had to drop out of the University of Minnesota after two years. Times were tough and I had to go back home to work the farm.

I don't say that to play on sympathy or to practice some kind of reverse snobbism. It's simply a statement of fact.

It is also fact that there can be an advantage to a stinted formal education. It deepens appreciation of the opportunity to learn and it fires determination to find those opportunities wherever they exist—outside as well as inside the classroom.

Learning, as we all know, can be an exalting experience.

But it ought to be a humbling experience, as well.

The truly wise men and women I know are humble people. They know how <u>little</u> they know. And how much remains to be learned.

In recent years I have come to believe that the fate of our nation may well depend upon how humble our leaders are in the face of their own ignorance.

I say that, my friends, because there are no longer any easy answers to the problems and the challenges that confront America.

Those who tell you there are easy answers are deceiving themselves; they're deceiving you--and they are endangering our nation.

There was a time when we could afford to risk the consequences of easy answers and simplistic solutions. At least we thought we could.

Those were the days when we could still push back frontiers to give us more breathing room, to give us space to relieve the social problems of congestion and the economic problems of too few resources to sustain too many people.

5797

1783-80

That was a time when it seemed as if we had unlimited resources and power to throw at problems until they were solved and at enemies until they were vanquished.

That was a time when the tools of science and technology were just beginning to be used to make us healthier and wealthier.

But those days are gone.

There are no more frontiers to push back.

We've learned that there are limits to our natural resources.

We've learned there are limits to our vaunted power.

And we've learned that even the liberating force of applied science and technology sometimes turns out to have bad results we neither foresaw nor desired.

While we were learning these painful lessons, we were undergoing political and social upheavals that changed us as a nation and as a people from what we were just a quarter of a century ago.

Question:

How do we cope with these new realities, these wrenching changes that now pose problems of unprecedented complexity?

We can go either of two ways.

We can be arrogant and reckless. Or we can be humble and judicious.

We can scorn all the warning signs about diminishing resources and continue to squander them; we can ridicule the obvious dangers to our environment and continue to poison it; we can scoff at the genocidal certainty of nuclear war and resume an arms race that no one can win and everyone will lose.

Or--we can carefully husband our resources to sustain us until we develop others to take their place; we can carefully balance the needs of economic growth with the need to protect the environment; we can continue to work toward an arms control agreement that would lessen the risk of catastrophic war.

Now it may seem clear to you that the first choice is based on emotion; the second on knowledge and reason. But that is not an easy distinction for others to make in these frustrating times.

Many Americans are anguished, uncertain, fearful of their own future, fearful that their country's new restraint in a dangerous world means we have lost status and power; fearful that the social changes of the last few decades have undermined the values they hold most dear.

Understandably, they yearn to hear someone say we can change all that; say we can bring back times that perhaps never really were; say there are simple answers and easy solutions. It's human nature to yearn for clear cut choices, confident assurances, doubt-free leadership.

But those who prey on that yearning are playing a most dangerous game.

Nearly three years ago, a man from my part of the country warned us about this in his final broadcast as the dean of the CBS-TV news department.

On the eve of his retirement, Eric Sevareid went on the air to caution us not to listen to those who preach "dangerously passionate certainties."

Not only does what they preach defy reason, he said, what they are doing is socially divisive and filled with risk.

He warned that their conclusions are based on a few carefully selected facts or suspicions and, are therefore, out of touch with reality.

I could offer you examples of what Mr. Sevareid was talking about in 1977, but for the sake of timeliness let me cite two more recent instances from my own experience.

A year ago last spring, someone came up with the idea that we could force the OPEC nations to reduce the price of the oil they export to us by raising the price of the wheat we export to them to a comparable level.

You saw the bumper stickers that sprouted up all over the place--"A Bushel of Grain for a Barrel of Oil." You heard Paul Harvey talk about it on the radio. You probably heard the song "Cheaper Crude or No More Food."

The proposal had a lot of appeal. It appealed to patriotism. It appealed to a desire to get even with OPEC. It appealed to the natural desire for higher wheat prices.

The trouble was, it simply didn't make sense because it was out touch with reality.

In the first place, raising the price of our wheat to match the price of OPEC's oil would have priced us right out of competition with other wheat exporting countries. Wheat can be grown in about 130 countries besides our own. We may be the biggest exporter, but we have less than half the wheat export market.

So "Cheaper Crude or No More Food" was an idea whose time had <u>not</u> come. Let me turn to a more recent example.

I'm sure you've heard it said many times in recent months that the partial suspension of grain sales the President ordered to rebuke the Soviet Union for invading Afghanistan has not hurt the Soviets but has hurt the American farmer.

You've heard it said with adamant certainty in the halls of Congress and you've read it in certain newspapers.

Is it true?

It is not.

In the first place, the charge is a contradiction in terms. If the amount of grain we withheld from the Soviets had little or no impact on them, how could it have hurt our farmers as much as the critics claim?

The charge has undeniable political appeal, but it is based on biased assumptions that will not hold up when all the facts are on the table.

It <u>is</u> true that for the first few weeks and months of the suspension there was little visible sign of its impact on the Soviets. But that has changed. Indeed, the change is more dramatic by the week.

By every account--our own intelligence, official Soviet statistics, and reports by the media--the grain sale suspension has forced the Soviets to pay premiums for grain imports, is a source of labor unrest in that country, and a political embarrassment to the Kremlin because it points up the flaws and failures of the Russian food and agriculture system. What is more, the aggravation seems certain to grow, because Soviet grain harvests this year will fall short of expectations.

This is why I told the National Governors' Association that ending the grain sale suspension now--just when its impact is being felt the most--would demean us as a people, compromise the integrity of our foreign policy, and in time risk our national security.

Lifting the suspension before the Soviets show any sign of recanting surely would be viewed by the Kremlin as clear evidence of American greed or of weakness of will.

Well, if the suspension is proving to be an effective rebuke of Soviet aggression, what about the second half of the critics' charge--that it has badly hurt the American farmer?

It $\underline{\text{is}}$ true that grain prices slumped after the suspension was invoked last January.

But is it true that the suspension is the only--or the major--cause?

It is <u>not</u>. Grain prices, for instance, are determined more by weather and by yield than by any other factor.

Government does not control the weather. Neither does government tell farmers how much they can produce. Not any more.

Last year we had the most favorable growing weather in several decades and record harvests for all five major crops.

We knew what those record yields would mean to the market, and the drop in grain prices that occurred early in 1980 months <u>before</u> the President ordered the grain sale suspension was expected.

What is more, the variety of actions ordered by the administration to ease the burden of the suspension on American farmers—ranging from direct government purchase to government assumption of export contracts to greater incentives for farmers to store more grain in their own reserve—resulted in the removal from the marketplace of more grain than was originally scheduled to be sold to the Soviets, and much more than the decline in our total exports.

I might point out here, incidentally, that this marked the first time in the history of U.S. embargoes that an administration has taken any action whatsoever to protect American farmers from the impact.

Finally, let me point this out: The Soviet Union market for our farm exports has never been that big or that reliable because it is determined in large number by the success or failure of Soviet crops.

The truth is that even with the curtailment of sales to the Soviets, U.S. farm exports are expected to rise to \$40 billion in 1980, 25 percent greater than the all-time record set in fiscal 1979, and the largest year-to-year increase in the history of our nation.

At the same time, our agricultural trade surplus is forecast to rise by 40 percent, to more than \$22 billion. This also is the largest year-to-year gain in history. And that's important to American consumers as well as producers, because that surplus helps keep the lid on inflation. What's more, we look for this trend to continue into fiscal 1981, with prospects for farm exports as high as \$45 billion and an agricultural trade surplus approaching \$25 billion.

American farmers send into export about a fourth of their total product by value. I don't know of another major sector of American commerce that contributes so high a share to the strengthening of our position in the world economy. By the same token, American farmers depend on the export market for a major part of their income.

Because of this, and because agricultural trade generates millions of jobs--on the farm and throughout the economy--the expansion of export markets for our farm products continues to be a major goal of this administration. It was a major goal in 1978 when the Agricultural Trade Act became law. It remains a major goal today.

What that effort to expand farm product export markets abroad means to your own state of Mississippi can be illustrated with a few figures. Soybeans, cotton and rice make up four-fifths of the farm products Mississippi sells to foreign customers. Four years ago your total sales abroad came to \$399 million. By fiscal 1979, those sales had risen to \$771 million, and we're now projecting that in fiscal 1980 the value of Mississippi farm products sold abroad could reach the billion dollar mark.

Agriculture here in Mississippi and throughout the country is moving out of an era where we were plagued with surpluses and into an era where virtually everything we grow will find a market somewhere.

Right now we are recording the largest gain in the export of farm products since that trade began at Jamestown in the early 1600's. And that expansion is broadly based. Every commodity group is sharing in the increase--grains, oilseeds, cotton, fruit and vegetables, tobacco, livestock, dairy and poultry. And these are solid gains that we can maintain and build upon.

The expansion of exports is one of the major reasons why gross farm income, net farm income, farm production, farm product consumption and farm assets all total more for the last three and a half years than for any prior comparable period in American agricultural history.

We're proud of that record.

But we know that we have to keep on learning if we want to build upon it.

We know that the farm policies and programs that helped write that record may not be the same policies and programs that will work in the future. We know that because time doesn't stand still. And neither does the world we live in.

The problems and the challenges of the Eighties and beyond will be different—and most likely harder—than those we confronted in the Thirties, the Fifties and the Seventies.

Let me just pose one of those problems to show you what I mean.

How do we meet an expanding demand for farm products at home and abroad while protecting our prime farmland base? Some of these acres are being lost to shopping centers, roads, and housing tracts.

At the same time, we have an erosion rate exceeding ten tons per acre per year on 35 million acres of land devoted to the production of grain crops.

Our system of agriculture is water intensive, technology intensive, fuel and fertilizer intensive.

But the aquifers that make irrigated farming so important in the west and southwest are being drained faster than they are being replenished, and water consumption will continue to increase over the next 50 years.

The rate of technological progress in agriculture--which always spurred earlier increases in productivity--shows signs of slowing down.

And our proven reserves of oil--which provides farming's fuel and fertilizer--have declined more than 25 percent since 1970 and prices have soared.

Future farm policy must face up to these problems and many more, including evidence that modern policy--despite its many successes--has not always served its stated goals, has tended to help most those who needed help the least, and has been more reactive than anticipatory, and more patchwork than comprehensive.

So there are only hard questions and tough problems and new challenges ahead, my friends. And no easy answers.

We can answer those questions and solve those problems and meet those new challenges.

But not if we heed those who are arrogant and reckless and filled with dangerously passionate certainties, for that is the path to disaster.

5797

1783-80

08, 07, 100

